

January 10, 2007

The Honorable Charles Terreni, Chief Clerk and Administrator Public Service Commission of South Carolina Post Office Drawer 11649 Columbia, South Carolina 29211

RE: Carolina Power & Light Company d/b/a Progress Energy Carolinas, Inc. -

Annual Review of Base Rates for Fuel Costs

Docket No. 2007-1-E

Dear Mr. Terreni:

By letter issued January 9, 2007 by the Public Service Commission's Docketing Department, the Commission scheduled the filing of testimony in Carolina Power & Light Company's d/b/a Progress Energy Carolinas, Inc. ("PEC") 2007 fuel case as follows: PEC testimony due April 4, 2007; Intervenor direct testimony due April 18, 2007; PEC rebuttal testimony due April 25, 2007; and Intervenor surrebuttal testimony due May 2, 2007. By notice issued January 9, 2007, the Commission scheduled the hearing in this matter for May 16, 2007. The procedural schedule for PEC's 2006 fuel case was as follows: PEC testimony due May 3; Intervenor testimony due May 17; PEC rebuttal testimony due May 24; Intervenor surrebutal testimony due May 26; and the hearing was held May 31.

PEC's annual fuel factor is revised effective July 1 of each year. The test period evaluated in PEC's annual fuel cost proceedings ends March 31. March 31, 2007 falls on a Saturday. Therefore, as currently scheduled, PEC's direct testimony in its fuel case will be due only three business days following the close of the test period. As a result, the data required in order for PEC to submit its direct testimony and Application will simply not be available on the currently scheduled filing date. It is PEC's understanding that the procedural schedule adopted by the Commission in the 2006 case worked well for all parties as well as for the Commission. As a result, PEC requests that the Commission revise the procedural schedule in its 2007 fuel case as follows: PEC testimony due May 2, Intervenor testimony due May 16, PEC's rebuttal testimony due May 23, Intervenor surrebuttal testimony due May 25 and the hearing scheduled for the week of May 28.

Yours very truly,

/s/ Len S. Anthony

Len S. Anthony Deputy General Counsel-Regulatory Affairs

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